



State of California—Health and Human Services Agency  
Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

July 3, 2019

Mr. Richard C. Allen, Director  
Western Regional Operations Group  
Centers for Medicare & Medicaid Services  
San Francisco Regional Office  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 19-0021: EXTENSION OF SUPPLEMENTAL PAYMENTS  
FOR CERTAIN PHYSICIAN SERVICES USING PROPOSITION 56 TOBACCO TAX  
FUNDS ALLOCATED FOR THE 2019-20 STATE FISCAL YEAR

Dear Mr. Allen:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 19-0021 for your review and approval. This SPA proposes to authorize an extension of the time-limited supplemental payment program for certain physician services using proposition 56 tobacco tax funds for an additional 30 months, starting July 1, 2019, through December 31, 2021.

On November 8, 2016, California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act (commonly known as Proposition 56) to increase the excise tax rate on cigarettes and tobacco products. Pursuant to Senate Bill 856 (Statutes of 2018, Chapter 30, §3, Item 4260-101-3305), DHCS was authorized to extend the supplemental payments through June 30, 2019, and expand supplemental payments to additional procedure codes under approved SPA 18-0033.

Assembly Bill (AB) No. 74 amends the Budget Act of 2019 to appropriate Prop. 56 funds during the SFY 2019-20. DHCS is proposing to extend the supplemental payments through December 31, 2021, under SPA 19-0021.

The supplemental payment amounts authorized under SPA's 17-030 and 18-0033 are fixed amounts and will be paid per claim. The supplemental payments are for new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological

Mr. Richard C. Allen  
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management services as identified by Current Procedure Terminology (CPT) Code below:

CPT Code		CPT Code	
99201	\$18.00	99381	\$77.00
99202	\$35.00	99382	\$80.00
99203	\$43.00	99383	\$77.00
99204	\$83.00	99384	\$83.00
99205	\$107.00	99385	\$30.00
99211	\$10.00	99391	\$75.00
99212	\$23.00	99392	\$79.00
99213	\$44.00	99393	\$72.00
99214	\$62.00	99394	\$72.00
99215	\$76.00	99395	\$27.00
90791	\$35.00	90863	\$5.00
90792	\$35.00	-	-

For SFY 2019-20, Prop. 56 supplemental payments for current codes specified and amounts will continue without interruption or changes. The supplemental payments will be issued for the specified codes for dates of service during the period of July 1, 2019, through December 31, 2021, and will be made based on claim submission for the specific applicable procedures within the aforementioned categories.

DHCS proposes the effective date of July 1, 2019, for SPA 19-0021, with a proposed end date of December 31, 2021.

DHCS is submitting the following SPA documents for your review and approval:


- CMS 179 Form – Transmittal and Notice of Approval of State Plan Material
- Page 1-4 of Supplement 27 to Attachment 4.19B (Clean)
- Page 1-4 of Supplement 27 to Attachment 4.19B (Redlined)
- Medicaid Funding Questions

On March 29, 2019, CMS informed DHCS that a tribal notice was not required for this SPA.

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If you have any questions regarding the SPA, please contact Ms. Connie Florez, Chief, Fee-For-Service Rates Development Division, at (916) 552-9600.

Sincerely,



Mari Cantwell  
Chief Deputy Director  
Health Care Programs  
State Medicaid Director

Enclosures

cc: Ms. Jacey Cooper  
Senior Advisor  
Health Care Programs  
Department of Health Care Services  
[Jacey.Cooper@dhcs.ca.gov](mailto:Jacey.Cooper@dhcs.ca.gov)

Ms. Lindy Harrington  
Deputy Director  
Health Care Financing  
Department of Health Care Services  
[Lindy.Harrington@dhcs.ca.gov](mailto:Lindy.Harrington@dhcs.ca.gov)

Mr. Robert Ducay  
Assistant Deputy Director  
Health Care Financing  
Department of Health Care Services  
[Robert.Ducay@dhcs.ca.gov](mailto:Robert.Ducay@dhcs.ca.gov)

Ms. Connie Florez  
Division Chief  
Fee-For-Service Rates Development Division  
Department of Health Care Services  
[Connie.Florez@dhcs.ca.gov](mailto:Connie.Florez@dhcs.ca.gov)

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 9 — 0 0 21

2. STATE

California

3. PROGRAM IDENTIFICATION:

TITLE XIX OF THE SOCIAL SECURITY ACT

TO: REGIONAL ADMINISTRATOR

CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2019

5. TYPE OF PLAN MATERIAL (*Check One*)☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENTCOMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 2019 \$ 28,706,040b. FFY 2020 & 2021 \$ 143,530,200

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 27 to Attachment 4.19-B pages 1-4

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If Applicable*)

Supplement 27 to Attachment 4.19-B pages 1-4

10. SUBJECT OF AMENDMENT

Extension of the time-limited supplemental payment for certain physician's services using California Healthcare, Research and Prevention Tobacco Tax Act (Commonly known as Proposition 56). The supplemental payment extension would be for services rendered on or after July 1, 2019 through December 31, 2021.

11. GOVERNOR'S REVIEW (*Check One*)☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☒ OTHER, AS SPECIFIED☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

Original signed by Mari Cantwell

13. TYPED NAME

Mari Cantwell

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

July 3, 2019

16. RETURN TO

Department of Health Care Services

Attn: Director's Office

P.O. Box 997413, MS 0000

Sacramento, CA 95899-7413

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

18. DATE APPROVED

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

22. TITLE

23. REMARKS

For Box 11 "Other, As Specified," Please note: The Governor's Office does not wish to review the State Plan Amendment.

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: CALIFORNIA**TIME-LIMITED SUPPLEMENTAL PAYMENT PROGRAM FOR CERTAIN PHYSICIAN SERVICES**

This program provides supplemental reimbursement for eligible physician services provided to Medi-Cal beneficiaries. The supplemental reimbursements will be provided for services rendered between the periods listed below. This program provides supplemental reimbursement for eligible physician services provided to Medi-Cal beneficiaries. The supplemental reimbursements will be provided, above the base rates, for qualified physician services rendered between the periods listed below. The base rates for physician services will remain unchanged through this amendment.

A. Supplemental Reimbursement Methodology – General Provisions for services provided between July 1, 2017 – June 30, 2018

1. The supplemental payment amounts are fixed at the amounts listed in the chart below for each eligible physician service listed by Current Procedural Terminology (CPT) Code. The supplemental payment is paid on a per claim basis. Eligible physician services include new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.

<b>CPT Code</b>	<b>Supplement Amount</b>
90863	\$5.00
99201, 99211	\$10.00
99202, 99212, 99213	\$15.00
99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

TN: 19-0021

Supersedes

TN: 18-0033

Approval Date: \_\_\_\_\_

Effective Date: July 1, 2019

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: CALIFORNIA

2. Base rates for physician services are the rates established by the Department of Health Care Services (Department) for each CPT Code, as published on the Medi-Cal Rates website:

<http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>

3. Providers eligible for the supplemental payments under this section do not include Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), and other providers that are reimbursed on a cost-based system.

B. Supplemental Reimbursement Methodology – General Provisions for services provided between July 1, 2018 – June 30, 2019

1. The supplemental payment amounts are fixed at the amounts listed in the chart below for each eligible physician service listed by Current Procedural Terminology (CPT) Code. The supplemental payment is paid on a per claim basis. Eligible physician services include new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.

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- C. Supplemental Reimbursement Methodology – General Provisions for services provided between July 1, 2019 – December 31, 2021
1. The supplemental payment amounts are fixed at the amounts listed in the chart below for each eligible physician service listed by Current Procedural Terminology (CPT) Code. The supplemental payment is paid on a per claim basis. Eligible physician services include new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.

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